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Analysis of several factors affecting financial support of higher education in whole Nation and Wisconsin in particular. Discusses changes in higher education expenditures and income from 1929–30 to 1953–54, and the relationship of higher education to the national economy, the character of Federal support, Federal and State fiscal policy, and an analysis of financial support for public higher education in Wisconsin.

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THE FINANCIAL SUPPORT OF HIGHER EDUCATION

Introduction

Statistics on the impending "tidal wave" of college students have sparked a national debate over the appropriate social policies to be adopted to meet the situation. In many respects, the controversy is reminiscent of the bitter contest of several decades past when the common school--free and publicly financed--was extended through the high school.

While many citizens readily admit that the greatest resource of a nation is its people, and that this resource is enhanced by education, they are apprehensive of the ability of the economy to support an adequate program of higher education. On the other hand, there are those who point out that in modern economic societies people seem to be able to afford almost any service if they want it badly enough. Moreover, they contend that today it is no longer a matter of choice. The question is not one of the economy's ability to support higher education. Rather, it is the necessity to devise ways in which programs of research and instruction can support necessary potential developments. Walter Lippmann summarized the position of this group when he said:

> "Our education effort...has not yet been raised to the plateau of the age we live in...We must measure our educational effort as we do our military effort. That is to say, we must measure it not by what it would be easy and convenient to do, but by what it is necessary to do in order that the nation may survive and flourish. We have learned that we are quite rich enough to defend ourselves, whatever the cost. We must now learn that we are quite rich enough to educate ourselves as we need to be educated."*

*From an address at the Fifth Annual Dinner of the National Citizens Committee for the Public Schools, March 19, 1954.

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Higher Education Expenditures, 1929-30 to 1953-54.*

The financial statistics of colleges and universities, perhaps more than any other single index, reflect the expansion and the changing character of higher education in America. In order to throw some light upon the problems of financing future programs, it seems desirable to review briefly the patterns of expenditure and income in the past quarter of a century.*

During the 30's and 40's, the American public insisted that colleges and universities perform more kinds of services for more people. The concept that post-high school education was a special kind of facility provided especially for the personal advancement of a few individuals gave way to the idea that higher education was an investment in the future of the nation and that it should strive to serve all the people.

In response to this changing attitude the resident enrollment of 1.1 million in 1929-30 skyrocketed to 2.5 million in 1953-54, with current operating expenditures jumping from $507 million to $2,902 million. Physical plant assets, valued at $1.9 billion in 1929-30, rose to $6.3 billion a quarter of

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*See Table 1, page 3, for a summary of expenditures for selected years from 1929-30 to 1953-54.

For many years, the United States Office of Education has compiled information related to the income and expenditures of higher educational institutions. Generally, the material on expenditures has been classified under five broad headings. (a) "Educational and general purposes," the heart of the operating budget, consists of such items as administrative and general expense, resident instruction, organized research, libraries, physical plant operation and maintenance, extension and organized activities related to instruction. (b) "Auxiliary enterprises" includes the operating costs of dormitories, bookstores, athletics, etc. These enterprises are usually self-supporting. (c) "Student aid expenditures" covers scholarships, prize awards and fellowships. (d) "Other current expenditures" consists of expenses such as interest on indebtedness and the cost of money-raising campaigns. (e) "Capital Outlay" relates to the cost of land purchases and additions to the physical plant.

Table I

Expenditures of Higher Educational Institutions, 1929-30 to 1953-54

	1929-30 Amt.	1929-30 Pct.	1939-40 Amt.	1939-40 Pct.	1940-50 Amt.	1940-50 Pct.	1953-54 Amt.	1953-54 Pct.
Educational and General								
Adm. and general expense	42.9	(11.4)	62.8	(12.0)	213.1	(12.5)	290.5	(12.7)
Resident Instruction	221.3	(58.6)	280.2	(53.7)	781.0	(45.8)	966.8	(42.2)
Organized Research	18.0	(4.8)	27.3	(5.2)	225.3	(13.2)	374.9	(16.4)
Extension	25.0	(6.6)	35.3	(6.8)	86.7	(5.8)	114.7	(5.0)
Libraries	9.6	(2.5)	19.5	(3.7)	56.1	(3.3)	73.4	(3.2)
Plant Oper. & Maint.	61.0	(16.1)	69.6	(13.3)	225.1	(13.2)	280.0	(12.2)
Related Activities	a		27.2	(5.2)	119.1	(7.0)	188.0	(8.2)
Sub-Total	377.9	(100.0)	522.0	(100.0)	1706.4	(100.0)	2288.4	(100.0)
Auxiliary Exterprises	a		124.2		476.4		539.3	
Student Aid	a		a		a		74.8	
Other Current Expenditures	129.2*		28.5		62.8		b	
TOTAL CURRENT EXPENDITURES	507.1		674.7		2245.7		2902.5	
Capital Outlay	(125.1)*		83.7		416.8		533.1	
TOTAL EXPENDITURES	503.0*		758.4		2662.5		3435.6	

a. Not tabulated separately.
b. Not requested.

*The year 1930 was the first for which capital outlay expenditures were reported. The questionnaire was revised in 1932. It is difficult to differentiate "other current expenditures" and "capital outlay" in 1929-30.

Source: Biennial Surveys of the U.S. Office of Education.

a century later, with an annual rate of investment since 1950 exceeding $400 million. Gross expenditures by higher educational institutions for all purposes--educational and non-educational--was almost $3.5 billion in 1953-54.

But increased expenditures signified more than an unparalleled increase in college attendance. During the period under consideration there was a striking shift in program emphasis which changed materially the distribution of the educational dollar.

First, graduate and professional education, requiring small classes, expensive laboratory and library facilities, and intensive personal supervision made tremendous advances. Graduate schools enrolled 278 thousand students in 1953-54, five and one-half times more than in 1929.* Enrollments also expanded in the professional schools and colleges of the nation. The education of graduate and professional students cost far more per student than undergraduate training.*

A second program shift occurred in the fields of general public service, adult education and extension activities. An increasing number of people beyond college age demanded services from higher educational institutions. Extension activities, previously limited in large part to the agricultural

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*Earned Degrees, 1900-1954

Year	Master's	Doctor's
1899-1900	1,583	369
1909-1910	3,771	420
1919-1920	4,301	564
1929-1930	15,043	2,225
1939-1940	26,731	3,200
1949-1950	58,183	6,633
1953-1954	56,788	8,995

Source: U.S. Office of Education, Biennial Survey, 1952-54.

programs of land-grant colleges, were broadened to meet the needs of business, labor and industry. About $25 million was spent on extension services in 1929-30. Twenty-four years later the sum exceeded $114 million.

Probably the most significant program shift took place in the field of organized research. Progressively, as American society became dependent upon scientific knowledge, business and government enlisted the talents of scholars and scientists. In 1929-30, $18 million was expended for research. In 1953-54 over $374 million was spent for this purpose--more than a twenty fold increase.*

One additional factor contributed to higher costs. In the past three decades higher education has incorporated into its teaching methods the improvements resulting from advances in knowledge. Even if prices had remained at 1930 levels, costs would have increased.

An over-all picture of expenditures would not be complete without mentioning the effect that increased enrollments and the changing patterns of higher education had upon resident instruction which, after all, is the heart of the educational enterprise. Though expenditures for resident instruction increased from $221.3 million to $966.8 million in almost a quarter of a century, the percentage allocation to this service actually decreased. In 1929-30, resident instruction accounted for approximately 59 cents of the educational dollar spent for education and general purposes. In 1953-54, the share for this purpose had declined to 42 cents. The increased income in recent decades has not gone for resident instruction. It has been spent for enrollment increases, for graduate and professional schools, and for other educational services, especially for research.

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*The statistical data used here is incomplete. The Office of Education lists only those projects which are budgeted separately. The reports do not measure the value of the research activities of individual faculty members.

Since faculty salaries constitute the major expense item in the category of resident instruction, it is evident that the expansion of recent years has been at the expence of faculty salaries. Numerous surveys attest to the fact that the real income of faculty members has declined since 1929.* It seems reasonable to assume that if the purchasing value of salaries had been maintained during the period under discussion, expenditures for resident instruction would have exceeded $2 billion dollars.

The Educational Policies Commission in a recent publication listed faculty salaries as the "most urgent priority in financing higher education," and recommended that a "substantially larger proportion of the anticipated income for higher education" be spent for salaries in the years ahead, and that the level of 1929-30 be reachieved and surpassed.** The fact that the commission would "make professors more productive" by improving teaching procedures and increasing the student-faculty ratio does not detract from its recommendation.

Higher Education and the National Economy

To be fully understood, the increase in expenditures from 1929 to 1954 by colleges and universities should be viewed in relation to the expanding national economy and its ability to support education generally.

The declining value of the dollar must also be taken into consideration. Colleges and universities are so organized that it is virtually impossible

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*Beardsley Rumel in a study completed in 1955 pointed out that in 1908 teaching salaries of $5,000 a year were common. To reach that standard today, a salary of $19,200 would be necessary. "The real income of faculty members declined 5 per cent below the 1940 level by 1954. Yet in this same period, the real income of lawyers, physicians, and industrial workers rose from 10 to 80 per cent." See Rumel, B., Teaching Salaries Then And Now.

**Education Policies Commission, Higher Education In A Decade Of Decision, p. 130-132.

for them to adjust easily to the effects of creeping inflation. Unlike business and industry they cannot protect themselves by cost and price arrangements. Unfortunately, the public frequently labels this weakness as poor management.*

While spiraling prices have threatened the well-being of higher education, it is difficult to measure the impact of inflation in terms of wholesale or consumer indexes.** They are not designed for the most part to reflect prices of items for which higher education spends its funds. Gross national product, which measures the "market value of the output of goods and services" produced by the nation, or income payments to individuals, probably afford more accurate measures of America's ability to support higher education than consumer prices.

A comparison of higher education expenditures for education and general purposes with gross national product and total income payments is revealing. (See Table II). In 1929-30 the gross national product was $91.1 billion. In 1953-54 it was $360.6 billion--nearly four times greater. Though dollar expenditures for educational programs during the same period increased almost

---

*"It is good sport to talk of the unbusinesslike practices of academic institutions. The small part of the outside criticism that is valid (and that part is really small) is trivial by the side of the really bad economics of universities. This is the chronic habit of underpricing their product, rendering more services than they get adequately paid for, draining from salaries and supplies the money upon which morale and efficiency depend. There is something irritating in being offered advice on sound management and business procedures when this major piece of bad economics is passed by." deKiewiet, C.W., "Tomorrow Is Too Late," The Educational Record, July, 1957.

**Consumer Price Index and Wholesale Price Index
(1947-49 = 100)

	Consumer	Wholesale
1930	71.4	56.1
1940	59.9	51.5
1950	102.8	103.1
1956	116.2	114.3

six times, the share of the gross national product assigned to higher education programs rose from only 0.41 per cent to 0.63 per cent. At no time during the period did educational and general expenditures of higher educational institutions constitute one per cent of the gross national product. In view of the fact that enrollments had more than doubled and the services of institutions vastly expanded, it seems safe to conclude that higher education served more people and at lower cost.

Table II

Relationship of Expenditures for Higher Educational Programs to Total Income Payments and Gross National Product (in millions)

	Gross National Product	Total Income Payments	Expenditures for Educational Programs*	Percent of National Product	Percent of Income Payments
1929-30	91,105	73,303	377.9	0.41	0.51
1939-40	100,618	75,852	522.0	0.52	0.68
1949-50	285,067	217,828	1706.4	0.60	0.74
1953-54	360,654	284,747	2288.4	0.63	0.80
1956	412,407	325,200	-	-	-

*Includes educational and general expenditures. Excludes capital outlay, auxiliary services, and non-educational expenses. (See Table I, page 3).

Sources: For Gross National Product the Department of Commerce National Income Supplement to the Study of Current Business. For Expenditures for Educational Program, United States Office of Education, Biennial Surveys.

Source of Funds

The source of funds of institutions is as revealing of educational trends as the study of expenditures. It would require a short history of higher education to explain all the implications behind the data in Table III, pages 9-10, which summarizes the sources of educational and general fund income for 1929-30 and 1953-54. A few of the more obvious inferences will be pointed out here.

Table III

SOURCES OF EDUCATIONAL AND GENERAL FUND INCOME
FOR SELECTED YEARS 1929-30 TO 1953-54
(In Millions)

All Institutions

	1929-30		1949-50		1953-54	
	Amt.	Pct.	Amt.	Pct.	Amt.	Pct.
Student fees	144.4	30.1	394.6	21.7	554.1	23.5
Public sources						
Federal						
Veterans fees			307.3	16.9	44.3	1.8
Research grants	15.4	3.2	199.0	11.0	282.3	12.0
Other					92.7	3.9
State Government	143.4	29.9	497.0	27.0	751.5	31.9
Local Government	9.2	1.9	61.4	3.3	88.1	3.7
Private gifts, grants	24.9	5.2	118.6	6.6	192.2	8.1
Activities related to education depts.					165.4	7.0
Endowment earnings	68.1	14.2	96.3	5.4	127.5	5.4
All other	74.1	15.5	146.6	8.1	58.7	2.5
TOTAL	479.8	100.0	1815.8	100.0	2356.5	100.0

Public Institutions

Student fees	36.1	14.6	112.0	10.8	148.0	10.9
Public sources						
Federal						
Veterans fees			135.5	13.1	17.4	1.3
Research grants	15.1	6.1	120.0	11.6	113.8	8.4
Other					85.7	6.3
State Government	140.2	56.8	482.9	46.8	729.6	53.9
Local Government	9.2	3.7	60.0	5.8	86.4	6.4
Private gifts, grants	2.7	1.1	25.7	2.5	38.5	2.8
Activities related to education depts.					93.7	6.9
Endowment earnings	9.4	3.8	12.2	1.2	14.7	1.1
All other	34.0	13.9	83.8	8.2	26.5	2.0
TOTAL	246.8	100.0	1032.5	100.0	1354.7	100.0

Private Institutions

	1929-30		1949-50		1953-54	
	Amt.	Pct.	Amt.	Pct.	Amt.	Pct.
Student fees	108.3	46.5	282.5	36.1	406.1	40.5
Public sources						
Federal						
Veterans fees			171.8	21.9	26.9	2.7
Research grants	0.3	0.2	78.7	10.1	168.5	16.8
Other					7.0	0.7
State Government	3.2	1.4	8.9	1.1	21.8	2.2
Local Government			1.3	0.2	1.7	0.2
Private gifts, grants	22.2	9.5	92.6	11.9	152.7	15.2
Activities related to education depts.					71.7	7.2
Endowment earnings	58.7	25.2	84.7	10.7	112.8	11.3
All other	40.0	17.2	62.7	8.0	32.1	3.2
TOTAL	232.9	100.0	783.2	100.0	1001.7	100.0

Source: Biennial Surveys of the U.S. Office of Education

For the nation as a whole, state governments are the largest single contributor to higher education. In 1953-54, 31.9 per cent of all monies collected for educational and general purposes came from the states.

Student fees (exclusive of payments for veterans) constitute a second major source of income. Of course, they play a more dominant role in the financial structure of private colleges than in public institutions.

Endowment earnings have decreased steadily in relative importance as an income factor. In 1929, they constituted 14.2 per cent of the total income; in 1953-54, only 5.4 per cent. In the 1920's private colleges could count on one out of every four income dollars coming from this source. Today, it is about one out of nine. In part, this loss has been compensated for by an increase in gifts and grants. Research projects, financed by foundations and industry, account for much of the increase since World War II.

Character of Federal Support

The federal government has played an inconsistent role in the history of higher education. In 1929-30 only 3.2 per cent of the income of colleges and universities came from Washington. After World War II, the federal government made a significant contribution to the economic health of colleges and universities through payments by the veterans' administration. In 1948, about one out of four dollars received for educational and general income came from this source. The loss of these funds is one of the factors contributing to the current financial crisis of many institutions.

Recently, the chief contribution of Washington to current-fund income is for contract research. The $282.3 million appropriated in 1953-54 represented 11 per cent of the income of higher education for educational and general purposes. It should be pointed out that the federal government is not a

generous contractor. Frequently, grants are made on a "matching basis," and institutions must divert funds from the instructional program. In many cases, the government has been reluctant to meet the overhead costs of its sponsored research.

Contrary to popular opinion, federal monies play an infinitesimal role in the instruction of students. Though more than $50 million is appropriated annually to the land-grant colleges, most of the funds are earmarked for such programs as agricultural experiment stations and extension services, and do not contribute to the cost of resident instruction. In 1951-52, grants to land-grant colleges for instructional purposes was approximately $7 million, less than 3.5 per cent of the total expenditures for instruction of these institutions.

With the possible exception of student scholarships and loans for auxiliary enterprises, it is not likely that the federal government will play a decisive role in the financing of higher education in the future. Too many problems are involved--the controversy between public and private colleges, competition among governmental agencies, institutional autonomy, and others.

Federal Fiscal Policy

The fiscal policy of the federal government has probably had a negative effect upon higher education, especially tax supported higher education. In recent years, the extensive development of the practice of appropriating federal funds to be matched by the states has stimulated the growth and expansion of selected state agencies. These state agencies--health, welfare, highways, etc.--supported by federal grants-in-aid, find it comparatively easy to increase their appropriations, with the result that their percentage of state expenditures has grown materially. Public higher education, without federal funds to be matched, has fallen behind.

Moreover, the national government's tax policy tends to limit the tax resources of the states. In less than a quarter century, federal taxes have more than doubled. In 1929-30 federal taxes absorbed 11.4 per cent of the national income: in 1953, 27.4 per cent.* The burden of the federal tax load has stimulated a political demand at the state level that taxes be kept to a minimum. Unable to influence national policy, the taxpayer has turned his attention to state affairs. He has been strikingly successful. In 1929, state governments took 2.3 per cent of the national income. An all time high of 4.5 per cent was reached in 1937. Since the war it has dropped to about 4.0 per cent.

In brief, public higher education has lost ground in the past half century. Dependent, as it is, upon the resources of the state, it has to compete with state agencies that benefit from federal funds. At the same time, it has been affected by the federal tax structure which tends to limit the willingness of the states to tax themselves. The experience of the past decade seems to indicate that it is unlikely that the trends described here will be reversed in the near future.

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*Federal Internal Revenue Collections in Wisconsin for Recent Years

	(in millions)
1946	842
1948	799
1950	758
1952	1,286
1953	1,407
1954	1,306
1955	1,203

Source: State Chamber of Commerce, Wisconsin Economic Activity and the Burden of State and Local Taxes.

Public Higher Education

Since the passage of the Morrill Act in 1862, tax supported institutions have assumed an increasingly important role in the expansion of higher education in this country. In part, this is the result of the increased public services offered by these institutions and, in part, it reflects an expansion of enrollment. For almost thirty years college students were divided evenly between public and private institutions. In 1954, however, 56 per cent were attending public colleges and universities, and 65 per cent of all "new" students were enrolled in public institutions.* The expansion in public institutions has been much larger in the two year institutions than in the four year ones.

Officials of private institutions in many parts of the country have indicated that their limited funds will not permit them to increase their enrollments greatly in the future. If larger and larger proportions of the total college-going population turn to public institutions, the problem of state tax support will be aggravated.

To be sure, the states have the potential to provide adequate support. However, the national record of state policy and action is not reassuring. In recent years, state governments have followed the lead of the federal government in the policy of grants-in-aid to political subdivisions. Thus,

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*Fall Enrollment: public and private colleges and universities

	Private	Public	Per cent public
1899-1900	132,000	82,000	38
1919-1920	254,000	284,000	53
1939-1940	637,000	728,000	53
1949-1950	1,238,000	1,219,000	50
1954-1955	1,105,000	1,395,000	56

"public higher education has been ground between the upper millstone of federal fiscal policy and the nether millstone of state aid to local governments," with the result that its share of all state expenditures dropped from roughly 10 per cent in 1915 to 4 per cent in 1949.

Few citizens are aware of the shift that has taken place in state fiscal policy. In the forty-year period beginning in 1913, total state expenditures multiplied 43 times. Expenditures for higher education increased 26 times. "In contrast state expenditures for public welfare multiplied 96 times; aids to local governments, 59 times; and highways, 107 times."*

Few will deny that state governments possess the potential to increase their support of higher education. Nevertheless, many difficulties stand in the way. John A. Perkins summarized the situation in a recent article as follows:

> "First, in spite of the expressed desire to cut federal expenditures, a balanced budget is no longer confidently predicted in Washington. We can expect no great relief from the federal tax burden to make it easier for the states to increase their taxation.
>
> "Second, the tax systems developed by the states are in general of the regressive variety and commonly employ direct rather than indirect levies. The features make the taxpayer even more resistant than usual to those 'hateful exactions of government' known as taxes.
>
> "Third, most taxes are already being imposed at two or three levels of government. This overlapping has been furthered of late by the propensity of states to increase the taxing authority of local jurisdictions.
>
> "Fourth, many states are precluded by their constitutions from fully exploiting certain tax sources. During the depression state constitutions were amended to restrict

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*See Bureau of the Census. Historical Statistics on State and Local Finances, 1902-1953. State and Local Government Special Studies No. 38.

the use of the property tax. Strict court interpretation of so-called uniformity clauses in tax articles have proscribed the use of graduated income taxation in such states as Florida, Illinois, and Michigan.

"Finally, special interest groups, dissatisfied with legislative appropriations usually tightly controlled by finance committees, have secured, sometimes by constitutional amendments, the dedication of certain lucrative taxes to their vested interest. This unsound fiscal practice has been justified on the basis of relating the tax collected to the corresponding expenditure, for example, gas taxes for highway construction. Thus, the so-called general funds of many states have been substantially reduced. Legislatures, if they would, are not able to budget for state services on the basis of proportionate need."*

Public Higher Education In Wisconsin

Public higher education in Wisconsin has been influenced by the same trends that have operated in the nation as a whole. However, there is some evidence to indicate that Wisconsin tax-supported institutions have not experienced the same gains recorded by similar institutions in neighboring states.

In 1929-30, the state appropriated $6.6 million of tax funds for the operation of its higher educational institutions. Roughly, this represented 0.4 per cent of the gross personal income of Wisconsin. By 1955-56, appropriations reached $23.0 million.** But personal income had jumped from $1,641 million to $7,068 million during the same period, with the result that the share for higher education fell to 0.32 per cent. Actually in 1955-56,

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*Perkins, John A., "Government Support of Public Universities and Colleges." Annals of the American Academy of Political and Social Science, Vol. 301.

**In Wisconsin, appropriations for the General Hospital are a part of the University budget, and become a charge against higher education. The state contributed $117 thousand for the operation of this faculty in 1929, $1,963 thousand in 1955-56--a 16 fold increase.

citizens of the state were making a smaller contribution percentagewise to the operating costs of their colleges and university than in 1929-30 (See Table IV).

Table IV

Expenditures Of Tax Funds For Operating Purposes
By Wisconsin Higher Education Related To Personal Income
(In millions)

Year	Tax Expenditures	Personal Income	Expenditures as per cent of Income
1929-30	6.6	1,641	0.40
1939-40	5.9	1,622	0.36
1949-50	15.9	4,962	0.32
1955-56	23.0	7,068*	0.32

Source: Wisconsin Department of Taxation

A study of the relationship of tax expenditures for the operation of Wisconsin higher education, and local and state taxes collected also reveals that the state's colleges and universities have received a smaller share in recent years. In 1929-30, their share equalled 3.8 per cent; in 1955-56 it was 3.4 per cent.

Percentagewise, the loss is even greater when the executive budget is isolated from other tax expenditures. In 1919-20, higher education in Wisconsin accounted for 30.5 per cent of the expenditures made by the state from this source. A decade later its share was 23.7 per cent, and in 1955-56 it had fallen to 16.9 per cent (See Table V, page 18).

*Estimate by "Sales Management."

Table V

Expenditure of Tax Funds for Operating Purposes by Wisconsin Higher Education Related to Taxes Levied and Executive Budget Expenditures. (In millions)

Year	Expenditures by Colleges	Local and State Taxes	Executive Budget Expenditures	Education Expenditure as per cent of Taxes	Budget
1919-20	4.0	105.7	13.1	3.8	30.5
1929-30	6.6	172.6	27.8	3.8	23.7
1939-40	5.9	202.9	34.8	2.9	17.0
1949-50	15.7	415.5	100.3	3.8	15.7
1955-56	23.0	670.5	135.5	3.4	16.9

Source: Wisconsin Department of Taxation

As previously indicated, every phase of public activity is subjected to intense competition. In spite of publicity to the contrary, higher education has lost ground to other social agencies. Some indication of the trend in Wisconsin is revealed in Table VI. Aids to educational, charitable and other groups have grown from $2.6 million in 1919-20 to $58.2 in 1955-56. In the same period highway expenditures have increased 26 times, from roughly $5 million to $129 million. Today (1956), motor fuel and vehicle taxes are in excess of $99 million, accounting for 15 per cent of all tax collections in the state. In 1919 less than $2.5 million was collected from this source. These statistics seem to add credulity to the idea that the American people can have almost any service if they want it badly enough.

Table VI

Aids to Educational, Charitable and Other Groups, and Highway Expenditures, 1919-1955 (In millions)

	Aids	Highways
1919-20	2.6	5.0
1929-30	9.8	26.4
1939-40	18.2	33.6
1949-50	37.1	72.1
1955-56	58.2	129.4

Source: Wisconsin Department of Taxation

It is very difficult to make comparative studies of state systems of education. The statistics taken from the United States Office of Education have certain elements of variability. However, they indicate trends and afford some basis for state comparisons.

The research staff of the California State Board of Education has attempted to measure, for the years 1940 to 1952, the impact of increased appropriations in terms of students served and in terms of "constant dollars." Their conclusions are found in Table VII.

Table VII

Educational and General Income* of Publicly Controlled Institutions of Higher Education Received from State and Local Governments
(In thousands)

	Current dollars					Per student constant dollars**		
State	1940	1950	1952	Percentage increase 1940-50	Percentage increase 1940-52	1940	1950	Percentage increase 1940-50
California	19,041	73,920	92,559	288	386	210	295	40
Illinois	9,107	39,051	45,355	329	398	260	405	56
Michigan	10,669	31,898	41,664	199	291	216	245	13
Minnesota	6,042	17,155	20,279	184	236	237	278	17
Ohio	7,452	20,729	24,948	178	235	168	188	12
Wisconsin	5,788	13,644	18,358	136	217	246	230	-7

*Excludes receipts specifically designated for physical plant and non-expendable funds.

**Adjustment by use of U.S. Bureau of Labor Statistics consumer price index (1935-1939 = 100).

Source: U.S. Federal Security Agency, Office of Education, Biennial Survey.

Though the sources of the data used in the above Table are not in many ways comparable it supports the information presented in previous paragraphs to the effect that state supported higher education in Wisconsin has not made